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Intercare Insurance Solutions

Company Background - The Health of a Business Starts with its People

Intercare Insurance Solutions was founded in 1994 on the principle that corporate health insurance should be managed as an investment, not a cost. This contrarian position and forward-thinking culture has enabled Intercare to become one of the fastest growing corporate insurance companies in the West, providing insurance brokerage, employee benefits consulting, and risk management services to clients throughout the Western United States.

The firm challenges the traditional view of which services a corporate insurance broker should provide. Intercare's relationship with its clients goes well beyond typical brokerage services to include identifying key health risk factors, designing and implementing corporate wellness initiatives and incentives, international benefits guidance, and full-service administrative support. As a result of these additional services, Intercare clients see significant improvement in their return on investment (ROI) and benefit from healthier, more productive employees.

The company has grown significantly under its guiding principle that good health leads to greater corporate efficiency. Intercare designs incentivized programs that help clients create an environment of positive mental and physical health. Their wellness programs and risk reduction goals, ranging from stress management and health evaluations to controlling obesity and diabetes, and tobacco cessation programs, are truly results-focused programs. Using these programs, combined with a vigorous dedication to customer service, Intercare is able to shift corporate culture from managing disease to managing health. The results are higher productivity, lower absenteeism, and a higher return on the investment in health insurance and employee benefits programs.

General Lock Case Study

In 2007, Intercare performed an assessment for General Lock, the nation's leading independent distributor of security products and services, to determine how their employees were utilizing benefits options. Intercare discovered a limited wellness program with little participation. General Lock's employees were not coming close to reaching their full, healthy, productive potential because they simply were not taking an active role in managing their health.

Intercare designed a two-tiered health insurance package that incentivized employees to complete a health risk assessment (HRA) and be more proactive in managing their health.

Over 75 percent of General Lock’s employees opted to take the HRA. The most striking result? Although only 1 percent of those surveyed felt that their health was poor or needed improvement, the assessment revealed that a full 56 percent fell into this category. Further analysis by Intercare revealed that meeting risk-reduction goals could save the company of more than 350 employees between \$175,000 and \$875,000 (or up to as much as \$2500 per employee) per year in health claims, lost productivity, and absenteeism. The program is paying off for employees as well. After just 10 months, a new HRA showed the average cholesterol level dropping by nearly 20 points. In addition, blood pressures dropped, coronary risks decreased, sleep habits improved, and even waist measurements dropped by an average of 1.5 inches. General Lock’s conclusion: incentive-based health benefits work.

The Value Gap

Mike Barone, Intercare’s president, is a nationally recognized advocate for closing the “value gap” between what traditional corporate insurance brokers provide and what their clients receive. In 1995, traditional brokers had to navigate through a maze of 25 different national health plan providers. Today, the number of companies offering national health insurance coverage has fallen primarily to just four while health insurance rates have skyrocketed, climbing 78 percent in the past five years. This means that brokers are getting more commission while performing a fraction of the work.

“It makes traditional brokers cringe when I say it,” says Barone, “but many in our industry are drastically overpaid, based on how little value they provide.”

Intercare set out to address this value gap and distinguish itself from traditional brokers who provide only core brokerage services. Intercare developed a suite of five service categories based on a deep knowledge of client needs and more than 130 years of combined experience among their core team. This suite of services consists of core brokerage services such as benefits counseling and actuarial services; value-added services including full-service administrative support; international benefits for those clients with overseas employees; outsourced administrative services for online enrollment, COBRA and Flex administration; and targeted wellness initiatives which help clients shift their insurance focus from managing disease to managing health.

Pioneering Wellness Program

Intercare’s wellness consulting is the crown jewel of the company’s approach. Unlike typical stand alone wellness programs, Intercare programs are based on identified health risk factors and deliver measurable results. The programs work by first benchmarking employee health and identifying the key health risk factors in a company; then establishing incentives and action plans to improve individual health, well-being and productivity; and finally measuring results. As individuals work to improve their health and well-being, they use fewer medical services, which can reduce claims and therefore employer premiums. The wellness programs have saved companies tens of thousands of dollars in monthly premiums, and resulted in measurable increases in employee productivity. Testimonials abound for the ROI from Intercare’s wellness programs in action.

Intercare Company History

Intercare was founded by a group of veteran insurance professionals with established reputations for effective customer service and a sophisticated consulting approach. These innovators recognized the role of the broker was changing, and that simply placing business was not enough. The new Intercare model would provide unparalleled customer service aimed at achieving the highest levels of client satisfaction, and would provide a wide array of additional services beyond those of the traditional broker.

Today, Intercare provides its clients with insurance solutions that are targeted, detailed and customized according to corporate financial and human resources objectives.

Core Team of All-Stars

Since its founding, the Intercare core team has grown to include some of the industry's most respected senior-level people, with a combined 130 years of experience:

- Mike Barone, president, with 20 years of experience, focuses on management, finance, marketing, and technical benefit administration systems.
- John Kahle, chief wellness officer, has more than 30 years of experience in the insurance industry and an emphasis on integrated wellness programs.
- Debora Karstetter, executive vice president, with 25 years of experience in the insurance brokerage industry, has a particular focus in executive leadership development.
- Lane Caruso, senior vice president of client services, brings 20 years of Fortune 50 corporate benefits management experience.
- David Duenas, senior vice president, with more than 20 years of industry experience, specializes in statistical plan analysis.
- Tina Wrotenbery, senior vice president, with over 15 years of employee benefits consulting experience, specifically works with health plan providers and brokerages.

The Bottom Line

Intercare outlines a value proposition for each client: Intercare will provide its full suite of services, with a focus on its pioneering wellness and incentive programs. And Intercare clients will benefit from improved ROI, healthier and more productive employees, lower insurance liability, and reduced administrative demands on internal HR departments so they can put more focus on strategic initiatives.

This value proposition, supported by rock-solid core brokerage services and driven by targeted wellness programs, has helped Intercare rise from 19th to third in the San Diego market in just two years. Intercare is now aggressively focused on expanding its reach in Houston and the San Francisco Bay Area, with the goal of duplicating the San Diego results. The firm is also looking at entering other new markets in the western U.S.

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